eInvoicing webinar

Exploring the future of eInvoicing

Key findings and future initiatives

17 April 2024

Webinar logistics

- Moderated unmute webinar.
- Use the chat to send questions/comments.
- Stay engaged and actively participate.
- Keep a smartphone next to you for an interactive part towards the middle of the session.
- The webinar materials will be shared after the webinar.

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Webinar agenda

- Welcome words.
- Main findings of the eInvoicing Directive Report.
- Introduction of the studies used for the eInvoicing Directive report.
- Future and evolution of eInvoicing policy.
- Importance of eInvoicing and its implementation in an EU Member State.
- A company use case of eInvoicing implementation.
- Q&A.
- Session conclusion.

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Welcome words

Amaryllis VERHOEVEN
DG GROW Acting Director for Directorate G – Tourism, Textiles, Digital Transformation of Industry, and Social Economy

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Main findings of the eInvoicing Directive Report

Irena RIVIERE
DG GROW Team Leader for EU eInvoicing policy

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Milestones

2014 → **Adoption**: Directive 2014/55/EU on electronic invoicing in public procurement

2017 → Development of the **European eInvoicing standard** by the European Committee for Standardisation (CEN) and endorsed by the Commission

2019/ 2020 → **Implementation** by national central authorities (for sub-central authorities in 2020)

2024 → **Report** on the eInvoicing Directive - Article 12

What is eInvoicing

An invoice issued, sent and received in a structured data format that allows for its automatic and electronic processing

The 2014 Directive aims at:

- **Facilitating the use of eInvoicing** by establishing a common standard and creating the capabilities to process eInvoices
- **Fostering the Digital Single Market** by simplifying and harmonising technical implementations based on the 2017 EU eInvoicing standard
- **Encouraging the widespread adoption** of eInvoicing

It creates an **obligation on public buyers to accept electronic invoices compliant with the European standard** (deadline 2020)

- However, the obligation does not exist on the suppliers' side

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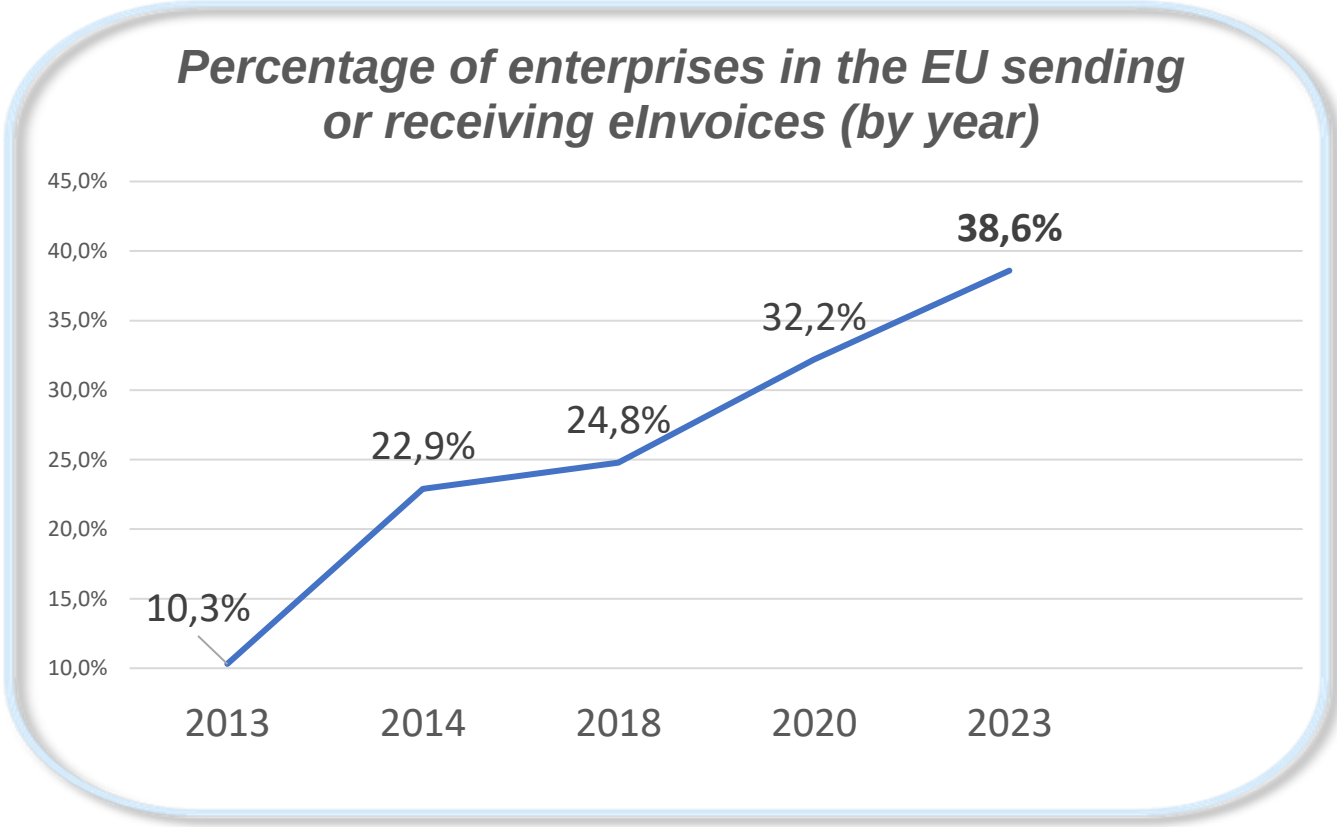
Key findings of the 2024 Report

The general uptake of eInvoicing has been modest

- The general uptake of eInvoicing in the EU (B2B and B2G) only grew from 10.3% in 2013 to **38.6%** in 2023*
- There are enormous differences between Member States – the percentage of enterprises sending or receiving eInvoices varies from*

14.8% in Poland | **97.5% in Italy**

Data from 2023



*Source: Eurostat (data from enterprises with 10 or more employees)

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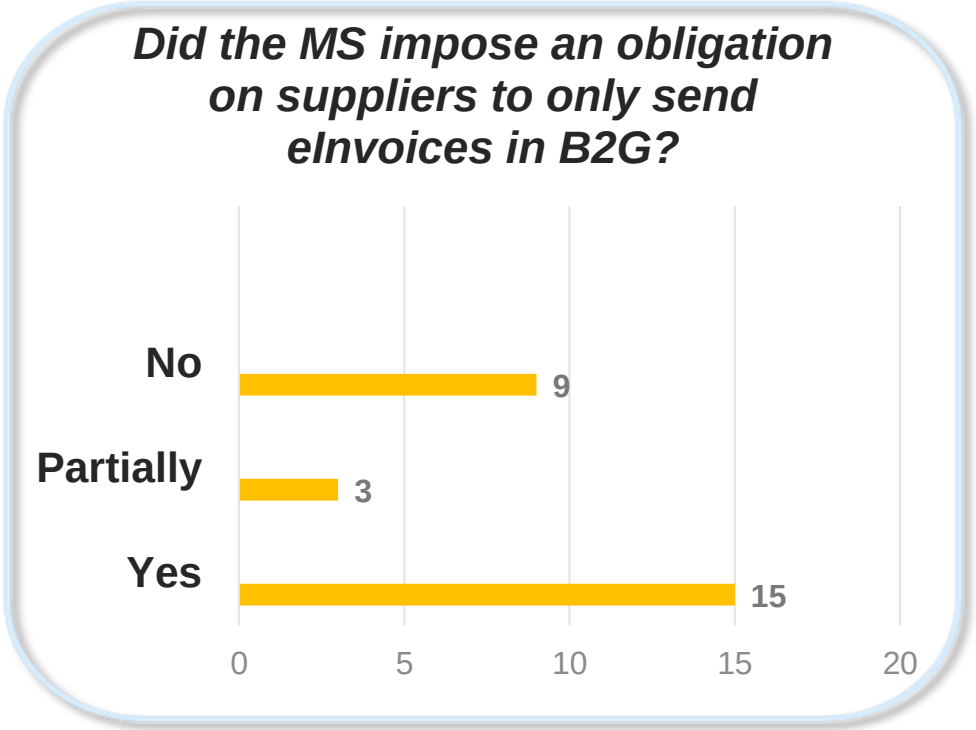
Key findings of the 2024 Report

B2G adoption

- 15 Member States imposed an obligation on suppliers to send eInvoices only in B2G
- ➢ These countries either report a 100% uptake in B2G or expect to reach the target soon*
- 3 Member States imposed a partial obligation on suppliers in B2G
- 3 digitally mature Member States have high levels of B2G adoption, despite not imposing an obligation on suppliers
- ➢ **In the remaining MS, the uptake in B2G is low**



*Source: Member States' survey

Uptake of the EU eInvoicing standard is low

- Due to competing national standards

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Key findings of the 2024 Report

Interoperability

- The **European standard** addresses only the semantic and syntax levels
- Full interoperability not reached as the **transmission and governance** are not addressed

SMEs slow transition to eInvoicing

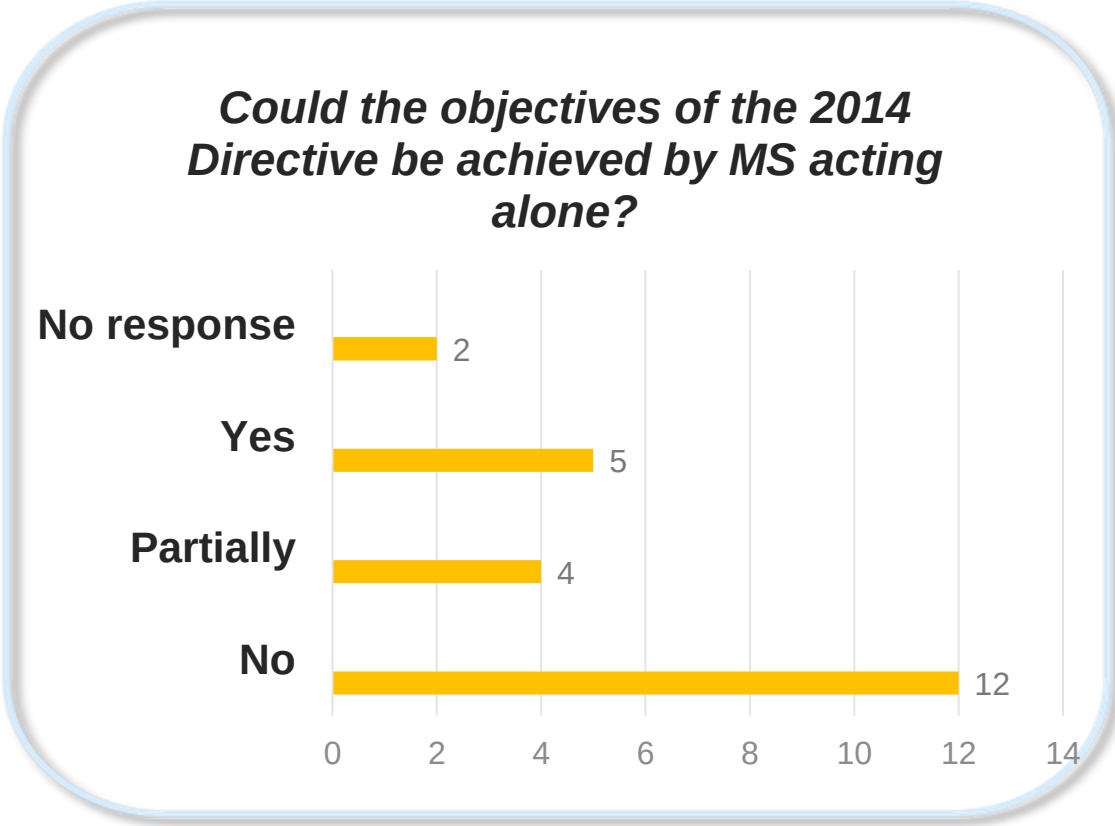
- **High investment costs** due to trading partners requiring different systems for eInvoicing
- 41% of SMEs experience **technical challenges**

Key findings of the 2024 Report

Efficiency

- The costs of implementing the 2014 Directive varied across Member States depending on their respective digital maturity*
- More than half of the Member States believe that the objectives of the 2014 Directive could not be achieved by Member States acting alone*

Source: Member States' survey



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Key findings of the 2024 Report

Coherence with other EU Legislation

- The 2014 Directive is well-aligned with EU policies promoting the digitalisation of public procurement
  - 2014 Public Procurement Directives
  - 2011 Late Payment Directive
  - European Interoperability Framework (**EIF)**

- VAT in the Digital Age legislative proposal (**ViDA**) foresees to expand the use of eInvoicing

eInvoicing now

- eInvoicing is undergoing a **rapid evolution** requiring proactive measures
- It moves from B2G to B2B in terms of market and policy
- There is an **immense potential for regulatory reporting reduction**

VAT in the Digital Age

- ViDA legislative proposal mandates the use of eInvoicing for VAT reporting
- Invoicing will become electronic by default
- European eInvoicing standard used to ensure a harmonised approach

National legislation

- 4 Member States introduced legislation mandating eInvoicing for suppliers in B2B based on national standards
- Other Member States announced similar measures

Global policy

- The EU is expanding its international partnerships and support for the use of the EU eInvoicing model in other non-EU countries
- E.g. Singapore, USA, Japan

Introduction of the studies used for the eInvoicing Directive report

Carmen Ciciriello
KPMG Contractor – eInvoicing Expert

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Preparatory Study on the effects of the Directive 2014/55/EU

Publication 1: ***Preparatory study on the effects of the Directive 2014/55/EU on electronic invoicing in public procurement.***

Purpose: inform the European Commission on the effects of the Directive 2014/55/EU on the internal market and the adoption of eInvoicing:

- providing an overview of the implementation of the Directive 2014/55/EU in Member States;
- assessing the extent to which the Directive's objectives have been achieved;
- following the Better Regulation Guidelines and its mandatory evaluation criteria (Effectiveness, Efficiency, Relevance, Coherence, EU Added Value), and drawing conclusions.

Technical Challenges and Barriers to eInvoicing in the EU

Publication 2: *Report on Technical Challenges and Barriers to eInvoicing in the EU*

Purpose : provide insights into the technical challenges and barriers hindering eInvoicing adoption:

- identifying technical challenges and non-technical barriers to eInvoicing adoption;
- categorizing challenges faced in B2B and B2G implementation, targeting specific stakeholders;
- outlining recommended actions for policymakers to overcome the barriers and foster eInvoicing adoption.

Evolution of eInvoicing in the Digital Age

Publication 3: *Report on the Evolution of eInvoicing in the Digital Age*

Purpose: provide selected case studies demonstrating relevant eInvoicing market developments:

- providing insights to EU policymakers on innovative applications of eInvoicing;
- outlining potential uses of eInvoicing in alignment with EU policy priorities;
- identifying the use emerging technologies for eInvoicing, in combination with new applications.

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Future and evolution of eInvoicing policy

Ciprian CRISTEA
DG GROW Head of Unit G.4 – Data and knowledge for policy, business and people

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Future of eInvoicing

A revision of the eInvoicing legislation is needed
Taking into account market developments and addressing the shortcomings

Harmonisation across Member States → **Interoperability** and further alignment B2G, B2B and B2C → EU **first-mover advantage** on the international arena → eInvoicing as **base layer** for innovation and many other applications

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Harmonisation

- Harmonisation across Member States based on the **European eInvoicing standard**
- **Ongoing work with CEN** to ensure the European standard's suitability for all uses in B2B
- **Address fragmentation caused by national implementations**
  - 4 Member States introduced legislation mandating eInvoicing in B2B based on national standards
- Build on the proposed VAT in the Digital Age legislation (**ViDA**) which foresees that invoicing will become electronic by default

Interoperability

- Address interoperability levels of **transmission** and **governance**
- Support interoperable solutions and transmission methods
- Further alignment of B2G, B2B and B2C to ensure that eInvoicing is user-friendly and practical for SMEs

EU first-mover advantage

EU work in the international arena:

- Planned expansion of international partnerships
- Support of the EU eInvoicing model in more non-EU countries
- EU model based on the European standard and Peppol technical specifications (e.g. Singapore)

Facilitation of trade beyond the EU

Adoption of EU model:

NZ, Australia, Malaysia, Japan*, Singapore*

**These counties and South Korea signed a Digital partnership with the EU.*

New developments:

- EU-US Trade and Technology Council Joint Declaration
- Ongoing negotiation of the FTA with India and Thailand
- Ongoing negotiation of the DTAs with South Korea and Singapore

eInvoicing as a base layer

Mass adoption of eInvoicing has benefits:

Enterprises benefit from innovation and simplification of processes

- Easier access to finance
- VAT reporting and customs declarations
- Blockchain-enabled invoice financing

Administrative burden reduction and boosted competitiveness

Public authorities benefit from digitalisation

- Better oversight of incoming revenue
- Fraud detection (already used in France)
- Predicative tax calculations powered by AI

Stakeholders outreach

Workshops with EU 27 MS

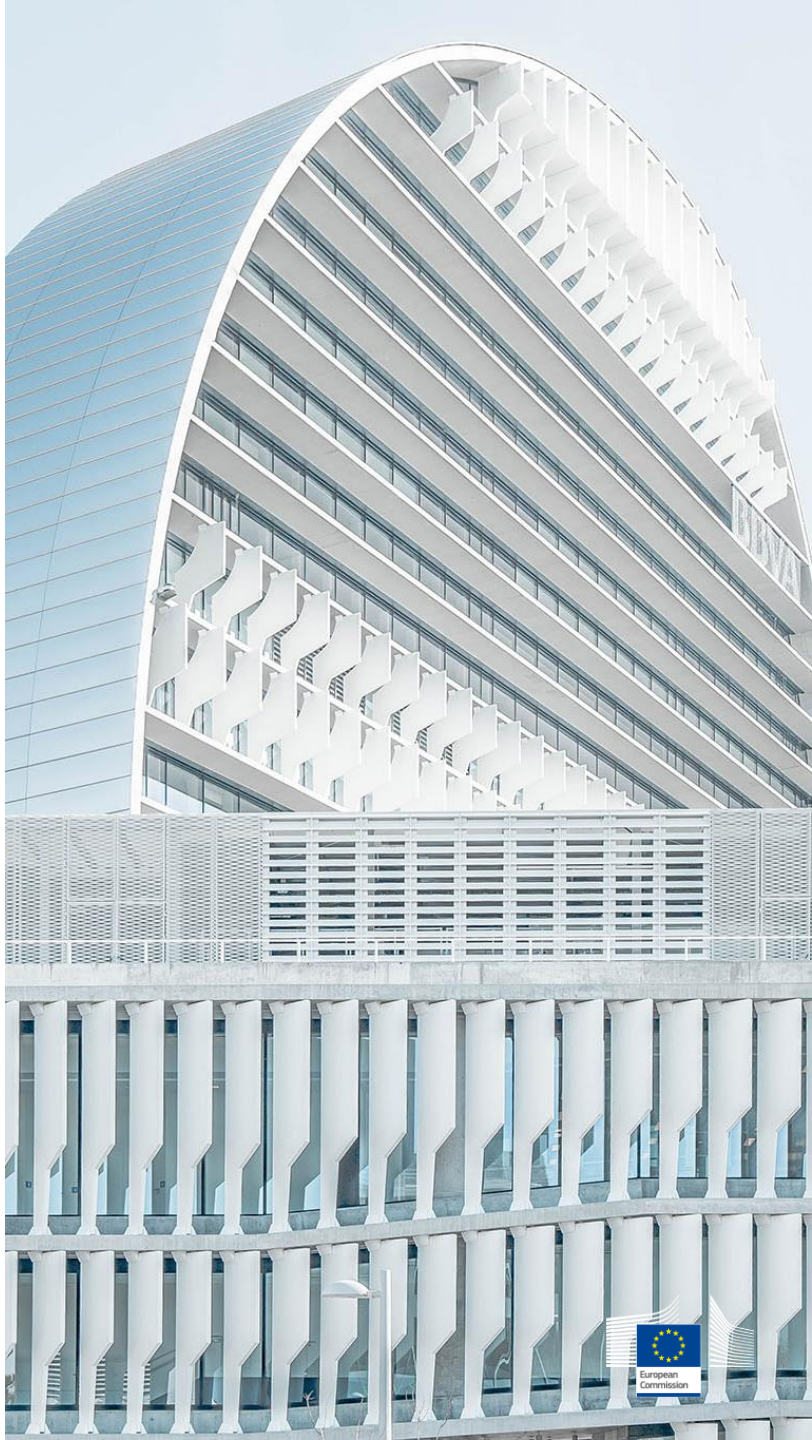
- Workshops/Webinars with individual MS between April and November 2024

Cooperation within the EC

- On topics linked to Digital

New uses of eInvoicing

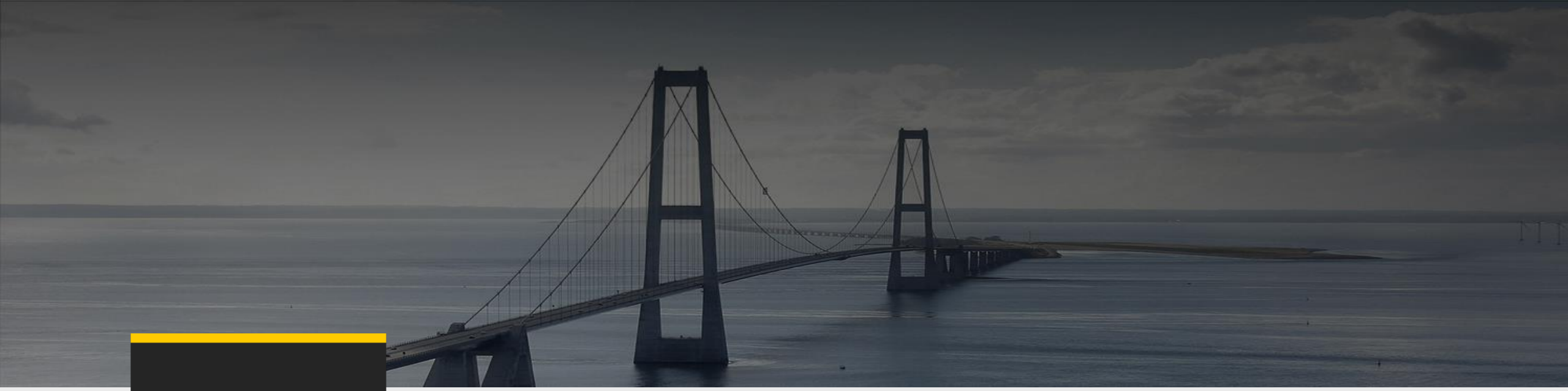
- Exploring new uses for simplification of business processes and compliance reporting - ongoing



Importance of eInvoicing and its implementation in an EU Member State

Ole Madsen
Specialist at the Danish Business Authority

European Commission



Importance of eInvoice

17. April 2024

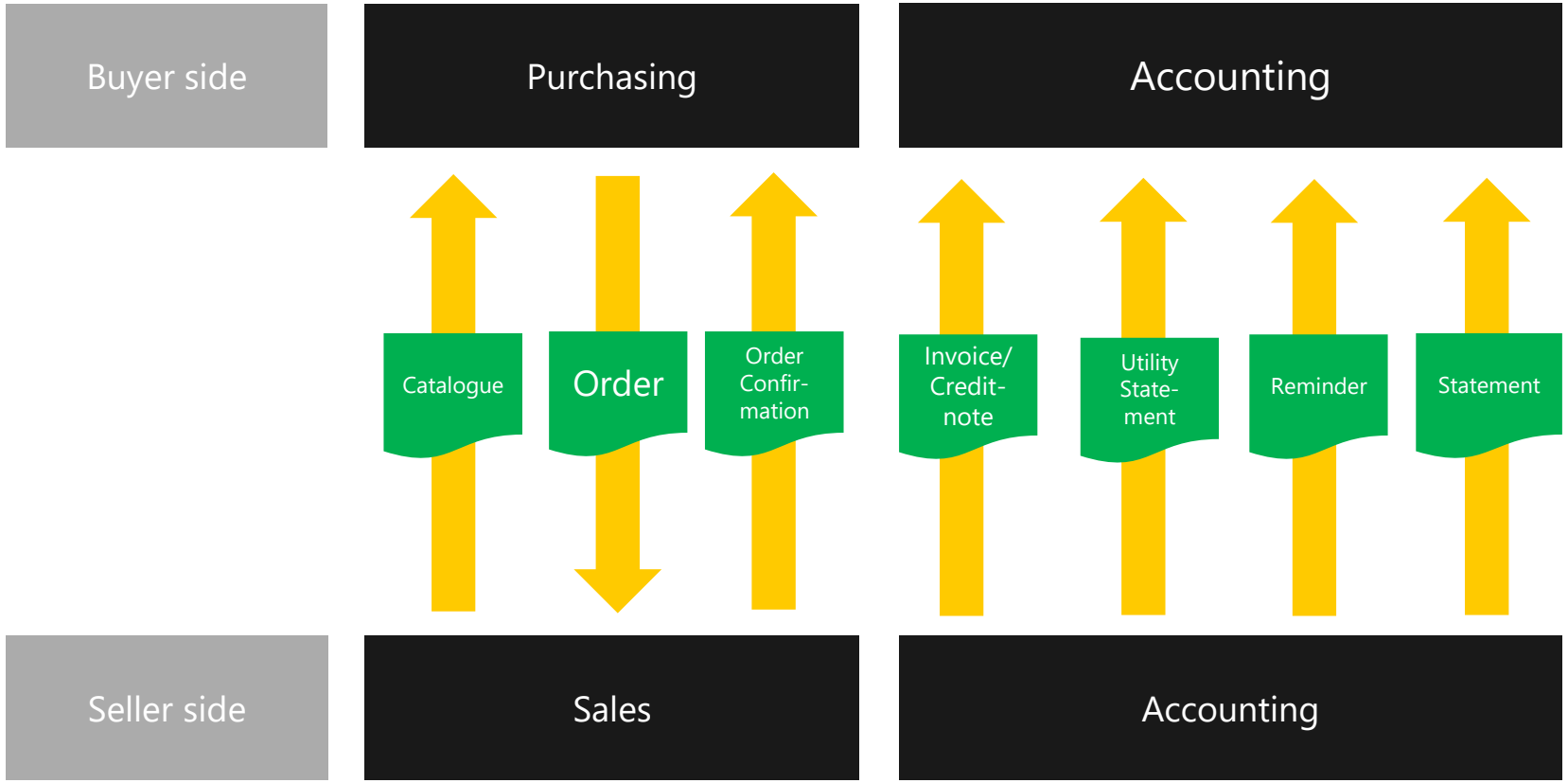
Ole Madsen

Danish Business Authority

Importance of eInvoice

The eInvoice is the central and most important eDocument to start automation processes for businesses and Governments.

Central eDocument

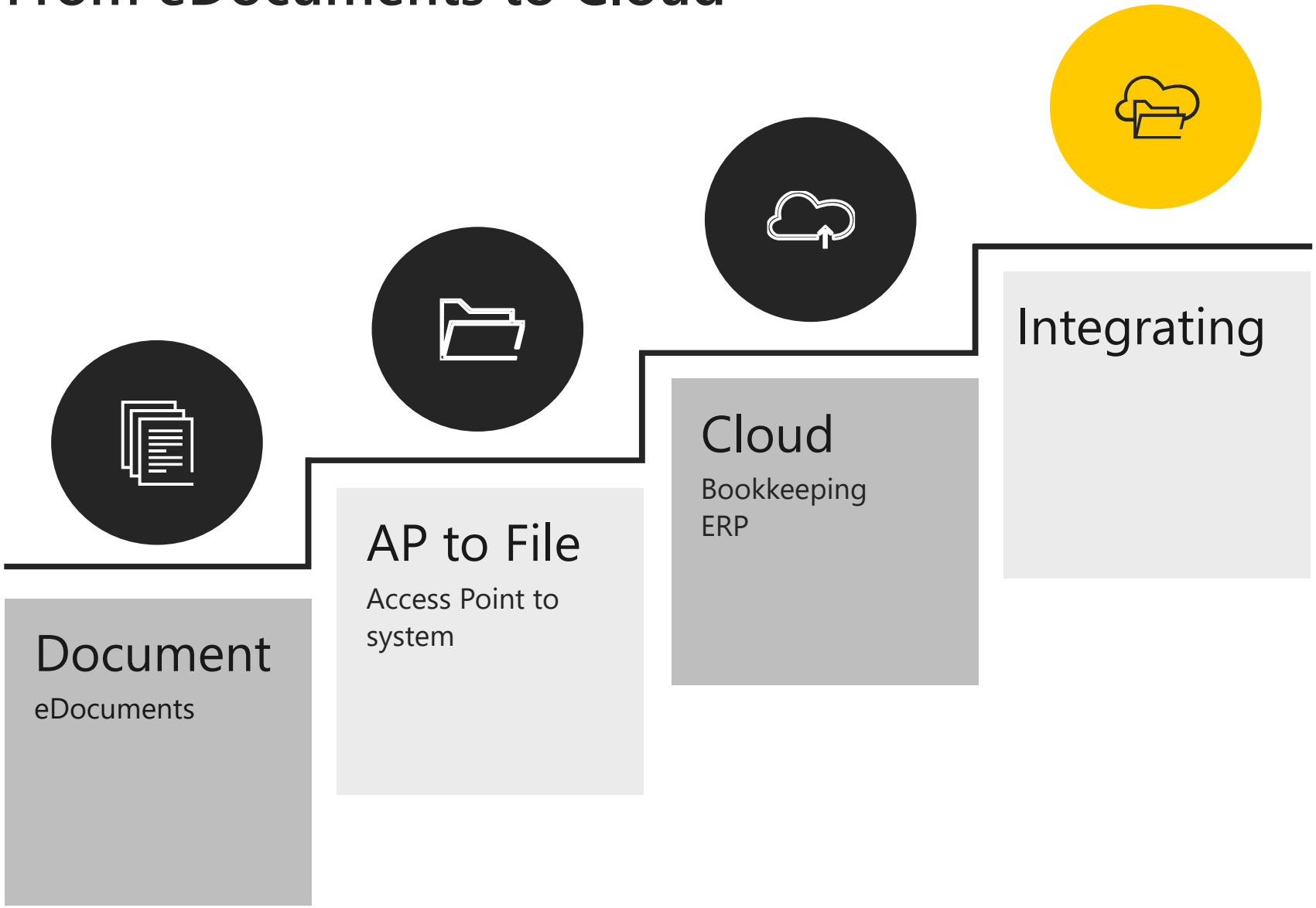


What has been done in DK?

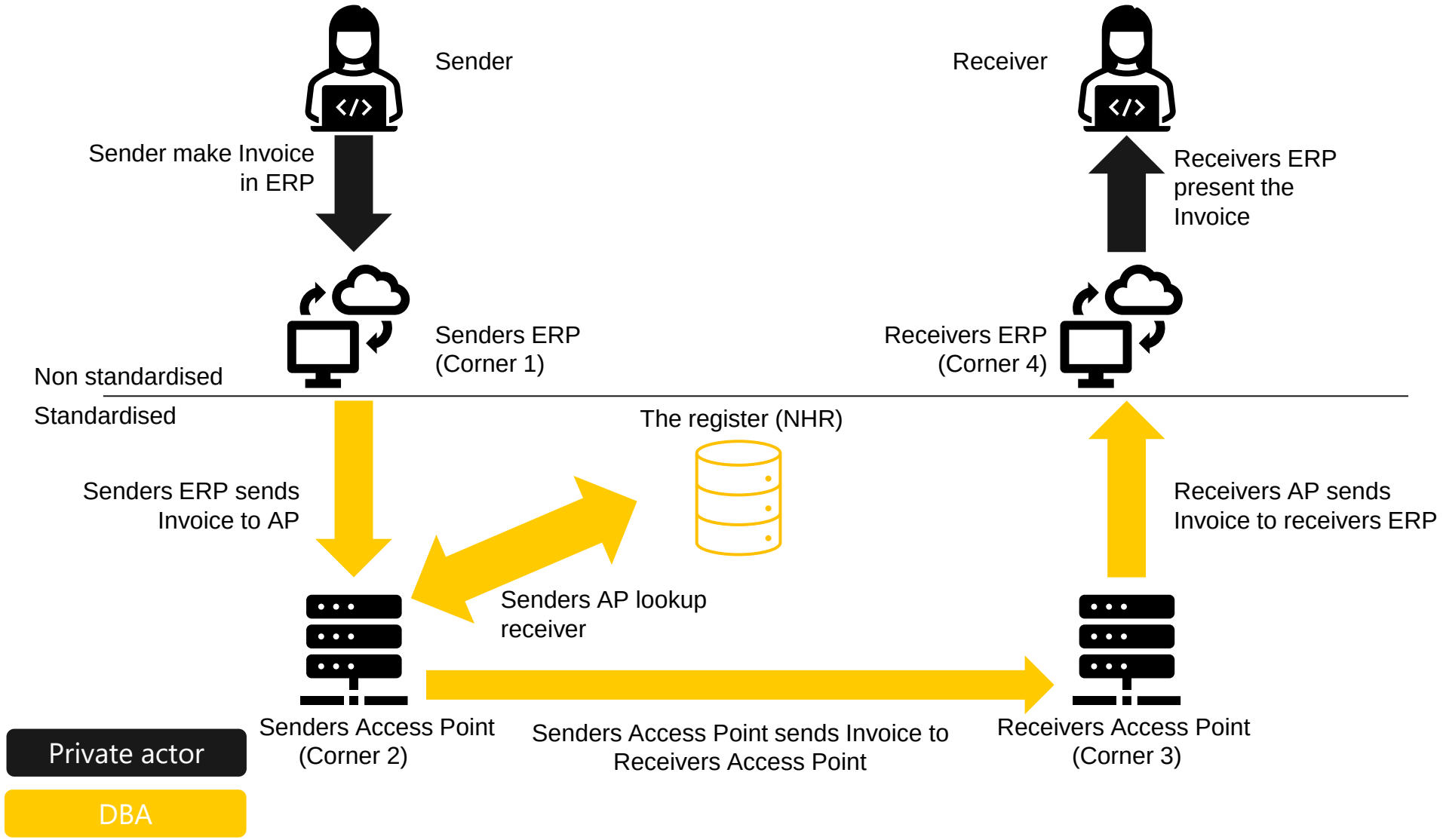
- New Danish Bookkeeping Act

  Minimum requirements for digital bookkeeping
- Executive order on requirements for digital standard bookkeeping systems
- Annex 2 on Invoice and creditnote formats
- Customers can send and receive eInvoices
- Customers can send and receive eCreditnotes
- Technical Infrastructure - eDelivery

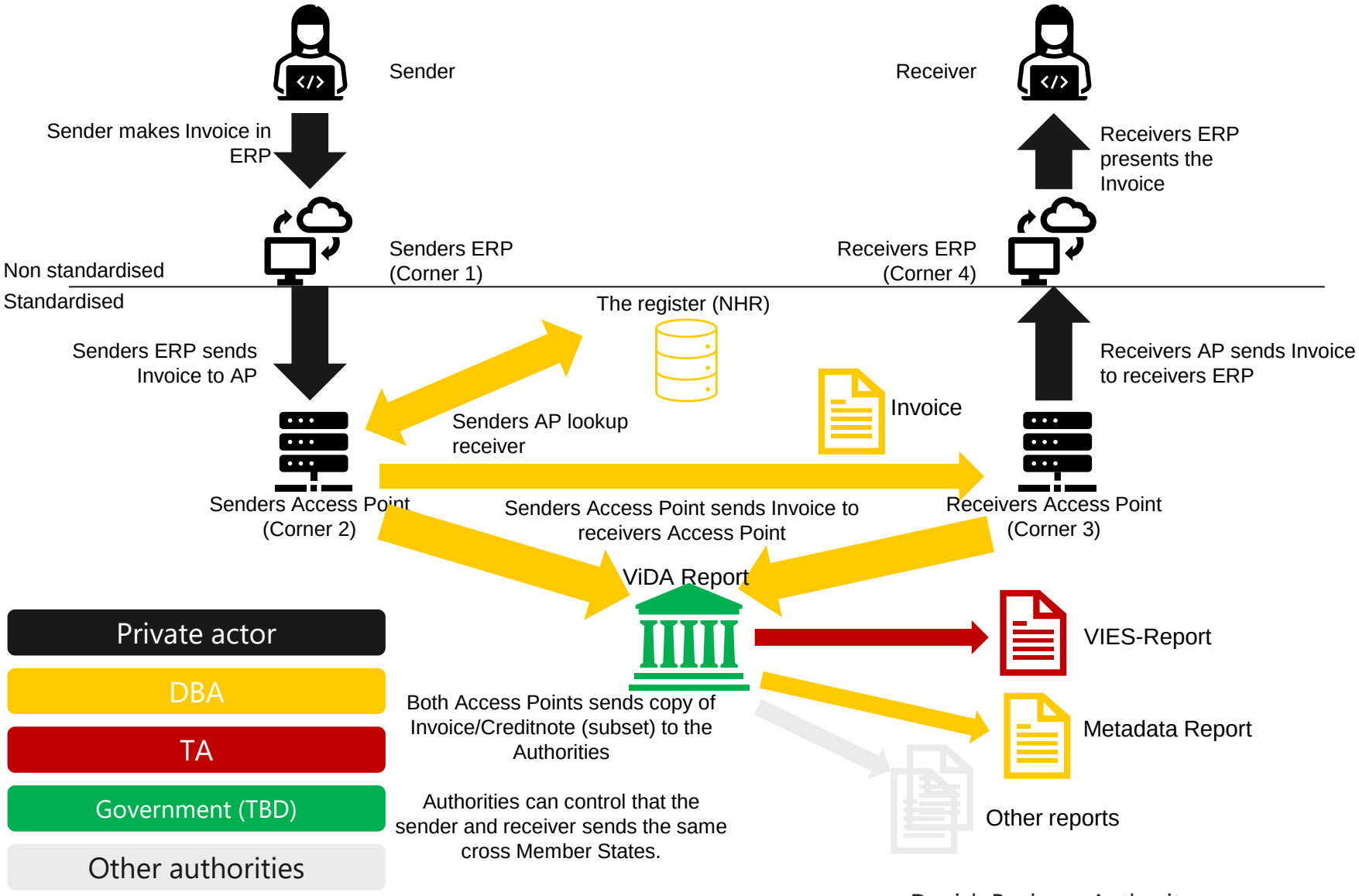
From eDocuments to Cloud



eDelivery


Sender
Receiver
Sender make Invoice in ERP
Receivers ERP present the Invoice
Senders ERP (Corner 1)
Receivers ERP (Corner 4)
Non standardised
Standardised
The register (NHR)
Senders ERP sends Invoice to AP
Receivers AP sends Invoice to receivers ERP
Senders AP lookup receiver
Senders Access Point (Corner 2)
Senders Access Point sends Invoice to Receivers Access Point
Receivers Access Point (Corner 3)
Private actor
DBA

eDelivery with corner 5



Danish Bookkeeping Act

- **More information on the Danish Bookkeeping Act**
- https://danishbusinessauthority.dk/requirements-digital-standard-bookkeeping-systems

A company use case of eInvoicing implementation

Petar Georgiev
Head of Strategic Alliances & Sustainability at AMPECO

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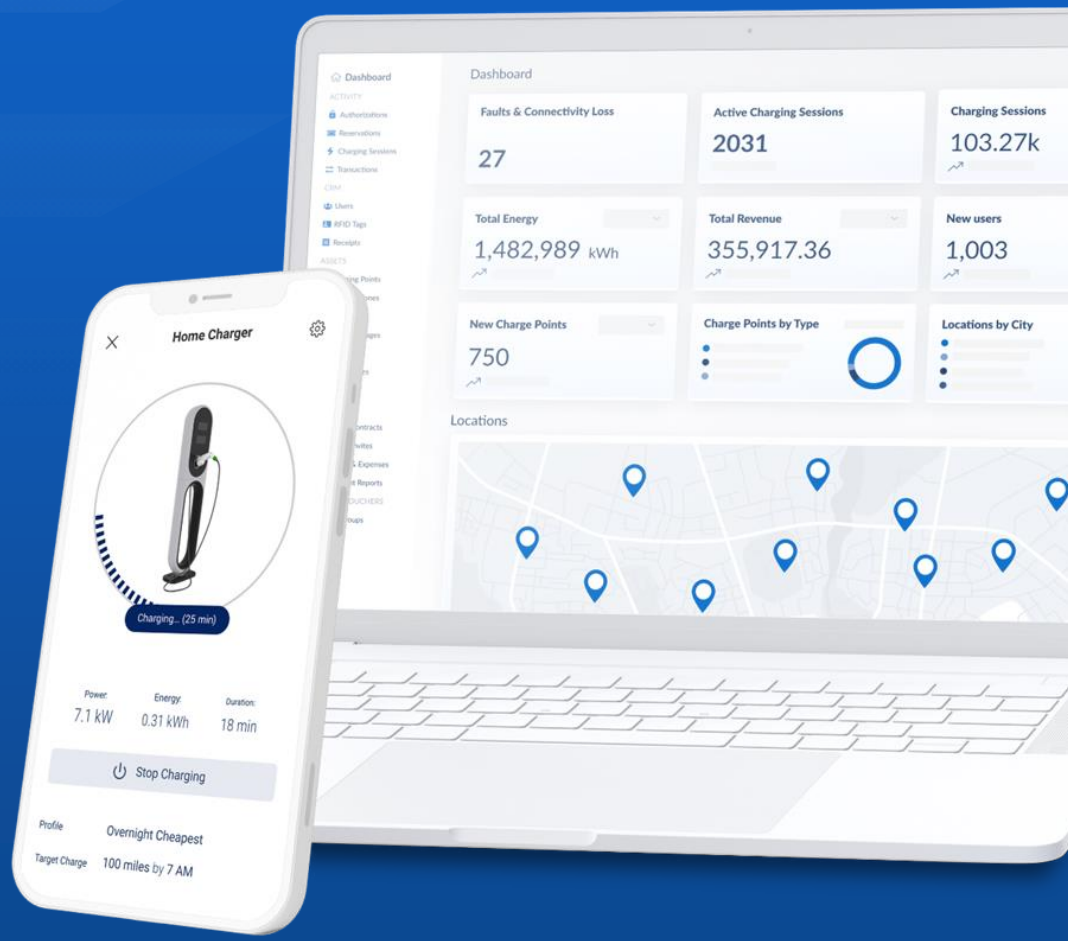
AMPECO

AMPECO & EV charging: the integrated platform approach



www.ampeco.com

Trusted by charging networks worldwide

150+
Customers

100K+
Charge Points

10M+
Charging Sessions in 2023

130+
Team Members

AMPECO in a nutshell

AMPECO white-label app for EV drivers

AMPECO backend portal for operators

Integrated **payment processing and billing**

EV charging management platform

Our clients can leverage their unique position in market by utilizing their customer base, existing systems and services

Use your preferred **payment processor**

Utilize existing seamless **single sign-on**

Use your own **billing and invoicing**

Employ CRM & **marketing tools**

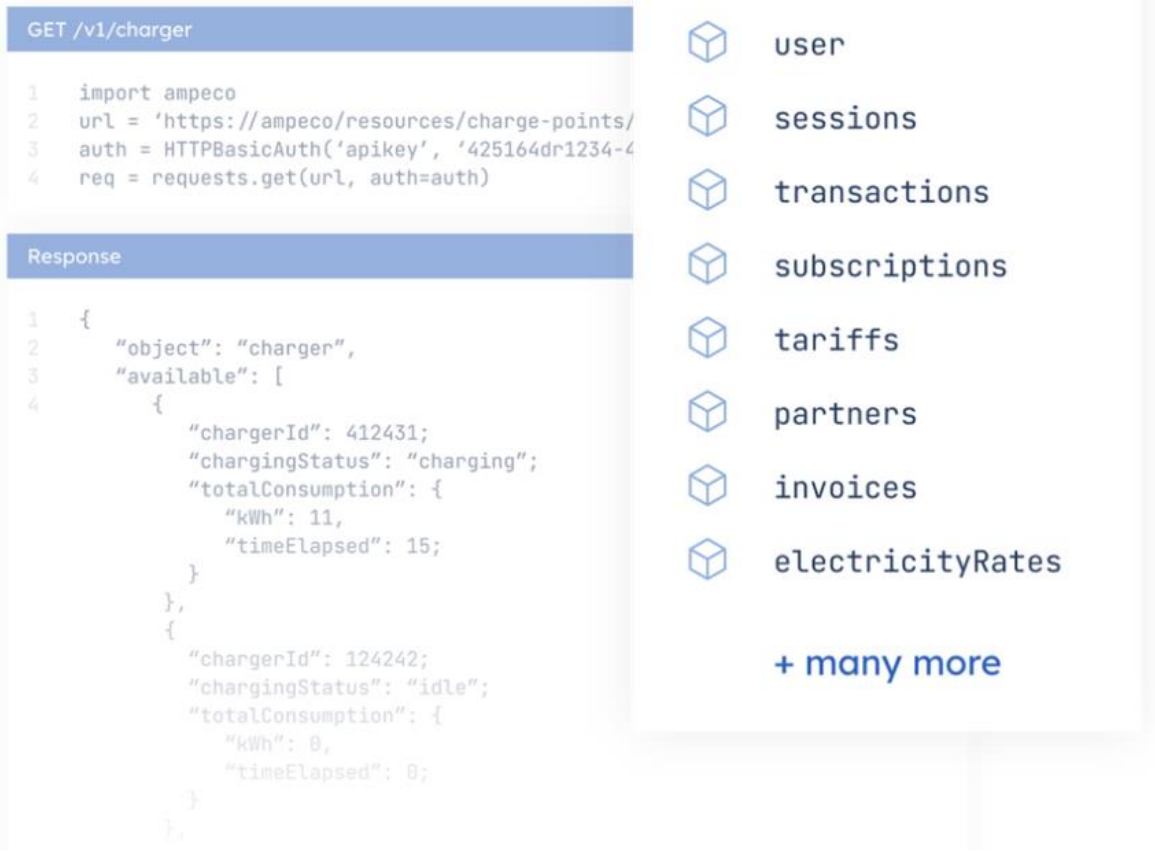
Offer efficient **customer support**

Provide energy prices and **demand response**

Ways to enhance existing functionalities with AMPECO's integrations

Charging operators can build tailored EV charging solutions via AMPECO's API

- Access all EV charging management **platform functionalities** via APIs
- Enhance your **existing business systems** with any EV charging data
- Rely on **detailed and up-to-date** API documentation



Examples from implementations in Member States

- Hungary & centralised real-time invoice reporting (RTIR) model
- AMPECO's backend can report invoice data automatically (done by API, XML format with authentication methods and filter selection)
- Exclusion of name/address in B2C situations due to GDPR

Q&A

Slido

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Questions from the audience

Q&A

Most common questions received via the registration form

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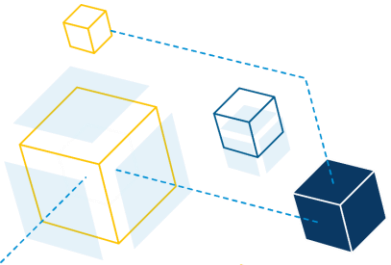
eInvoicing Building Block Services

DIGITAL eInvoicing website

User Community

eInvoicing Communications (Newsletter)

Service desk, conformance testing & more!



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Session conclusion

Irena RIVIERE
DG GROW Team Leader for EU eInvoicing policy

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Thank you

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